

Finance and Major Contracts Management Committee

Monday, 15 July 2019 at 14:00

County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

- | | | |
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| 1 | Minutes of the last meeting held on 17 June 2019 | 3 - 6 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Financial Monitoring Report Period 2 2019-20 | 7 - 22 |
| 5 | MyNotts App | 23 - 28 |
| 6 | HS2 Commissions for Midland Engine | 29 - 32 |
| 7 | Work Programme | 33 - 36 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.

- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Peter Barker (Tel. 0115 977 4416) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

Meeting	FINANCE AND MAJOR CONTRACTS MANAGEMENT COMMITTEE
Date	17 June 2019 (commencing at 2.00pm)

Membership

Persons absent are marked with an 'A'

COUNCILLORS

Richard Jackson (Chair)
Roger Jackson (Vice Chair)
John Ogle (Vice Chair)

John Clarke	Diana Meale
Keith Girling	Mike Pringle
Eric Kerry	Mike Quigley MBE
Rachel Madden	Alan Rhodes

OTHER COUNCILLORS IN ATTENDANCE

Councillor John Longdon

OFFICERS IN ATTENDANCE

Pete Barker	Democratic Services Officer
Cherry Dunk	Group Manager, Quality & Market Management Team
Michael Fowler	Category Manager, Public Health
Kaj Ghattaora	Group Manager, Procurement
Gemma Shelton	Team Manager, Quality & Market Management Team
Nigel Stevenson	Service Director, Finance, Infrastructure & Improvement

1. APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMEN

Resolved 2019/033

That the appointment of Councillor Richard Jackson as Chairman and Councillor Roger Jackson and Councillor John Ogle as Vice-Chairmen of the Finance & Major Contracts Management Committee for the municipal year 2019-20 be noted.

2. COMMITTEE MEMBERSHIP AND TERMS OF REFERENCE

Resolved 2019/034

That the membership of the Committee for the municipal year 2019-20 as follows be noted: Councillors Richard Jackson, Roger Jackson, John Ogle, John Clarke, Keith Girling, Tom Hollis, Eric Kerry, Diana Meale, Mike Pringle, Mike Quigley MBE and Alan Rhodes.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 20 May 2019, having been circulated to all Members, were taken as read and were confirmed, and were signed by the Chair.

4. APOLOGIES FOR ABSENCE

Councillor Madden replaced Councillor Hollis for this meeting only.

5. DECLARATIONS OF INTEREST

There were no declarations of interest.

6. FINANCIAL MONITORING REPORT: PERIOD 1 2019/20

RESOLVED: 2019/035

That the contingency requests, as detailed in the report, be approved.

7. DRAFT MANAGEMENT ACCOUNTS 2018/19

RESOLVED: 2019/036

1) That Committee requests County Council approval for the transfer of £6.8m from the General Fund Balances.

2) That variations to the Capital Programme, as detailed in the report, be approved.

8. 'YOUR NOTTINGHAMSHIRE YOUR FUTURE' DEPARTMENTAL STRATEGY, SIX MONTH REVIEW OF PROGRESS (OCT 2018 – MARCH 2019)

RESOLVED: 2019/037

That no further actions are required as a direct result of the contents of the report.

9. PROGRESS REPORT REGARDING THE FAIR PRICE FOR CARE INITIATIVE

RESOLVED: 2019/038

That no further actions are required as a direct result of the contents of the report.

10. CONTRACT MANAGEMENT APPROACH

RESOLVED: 2019/039

That the Contract Management approach, as set out in this report, be approved to allow the corporate contract management framework to be developed and implemented across the Council.

11. CONTRACTS IN EXCESS OF £1 MILLION OR OTHERWISE OF MAJOR SIGNIFICANCE

RESOLVED: 2019/040

That a report on the Public Health contracts and reports on contracts relating to each department in the authority be brought to future meetings of the Committee.

12. WORK PROGRAMME

RESOLVED: 2019/041

That the progress report on the Gedling Access Road be scheduled.

The meeting closed at 2.40pm

CHAIR

15 July 2019

Agenda Item: 4

REPORT OF THE SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND IMPROVEMENT

FINANCIAL MONITORING REPORT: PERIOD 2 2019/20

Purpose of the Report

1. To provide a summary of the Committee revenue budgets for 2019/20.
2. To provide a summary of capital programme expenditure to date and year-end forecasts.
3. To request approval for additional contingency applications.
4. To inform Members of the Council's Balance Sheet transactions.

Information Background

5. The Council approved the 2019/20 budget at its meeting on 28 February 2019. As with previous financial years, progress updates will be closely monitored and reported to management and Committee each month.

Summary Revenue Position

6. The table below summarises the revenue budgets for each Committee for the current financial year. A £5.7m net overspend is currently predicted. As a consequence of the in-year overspend and the significant financial challenges facing the Council over the medium term, the key message to effectively manage budgets and, wherever possible, deliver in-year savings is being reinforced.

Table 1 – Summary Revenue Position

Forecast Variance as at Period 1 £'000	Committee	Annual Budget £'000	Actual to Period 2 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
	- Children & Young People's	129,132	11,684	137,587	8,455
	- Adult Social Care & Public Health	216,814	22,494	214,115	(2,699)
	- Communities & Place	122,297	20,355	124,377	2,080
	- Policy	32,214	7,057	32,651	437
	- Finance & Major Contracts Management	2,847	437	2,699	(148)
	- Governance & Ethics	7,306	957	7,442	136
	- Personnel	14,897	2,365	14,755	(142)
	- Net Committee (under)/overspend	525,507	65,349	533,626	8,119
	- Central items	(21,168)	(11,078)	(23,794)	(2,626)
	- Schools Expenditure	26	-	26	-
	- Contribution to/(from) Traders	(421)	752	(50)	371
	- Forecast prior to use of reserves	503,944	55,023	509,808	5,864
	- Transfer to / (from) Corporate Reserves	919	-	919	-
	- Transfer to / (from) Departmental Reserves	(15,336)	-	(15,494)	(158)
	- Transfer to / (from) General Fund	(2,099)	-	(2,099)	-
	- Net County Council Budget Requirement	487,428	55,023	493,134	5,706

Committee and Central Items

The main variations that have been identified are explained in the following section.

Children & Young People's (£8.5m overspend, 6.6% of annual budget)

7. The Youth, Families and Social Work Division is reporting a forecast £1.0m overspend. The major contributing variances are:

- £1.0m overspend on social work staffing. £0.9m relates to the Hard to Retain teams and £0.1m other social work teams. The overspend has arisen due to a combination of staffing changes including permanent recruitment to vacancies, additional capacity staff to respond to continuing workload issues and agency workers. All agency posts continue to require the explicit approval of the Service Director - Youth, Families and Social Work and are subject to scrutiny by the quarterly Agency Challenge Panel.

8. The Education, Learning and Skills Division is reporting a net nil position although the achievement of the sold service income target is still a concern.

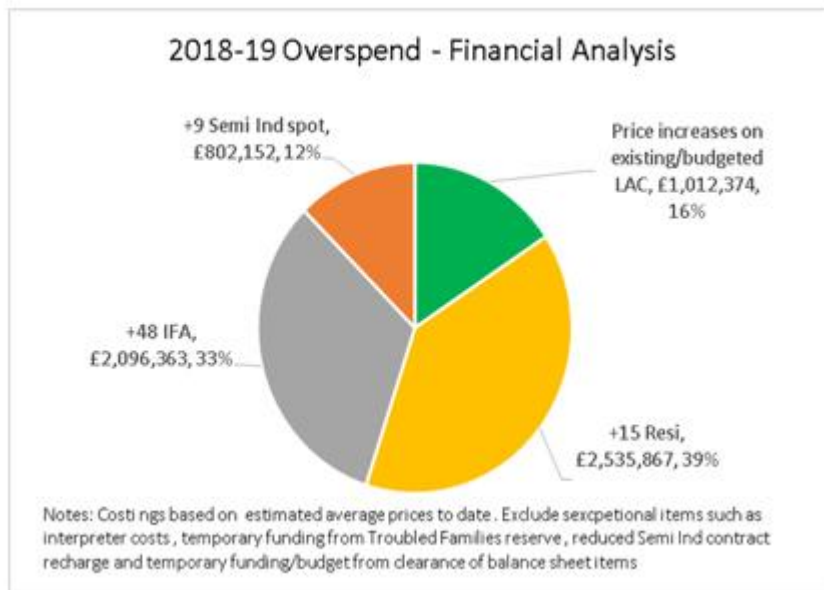
9. The Commissioning and Resources Division is forecasting an overspend of £7.5m which includes the following variances:

- £7.5m overspend on External Placements, of which £2.0m is attributable to growth in the number of Independent Fostering Agency (IFA) placements, £3.5m residential placements

and £2.1m on semi-independent placements, offset by £0.1m underspend on Placement Team staffing costs and Unaccompanied Asylum Seeking Children budgets.

- The external placements budget overspent by £5.4m in 2018/19 and the ongoing impact of that was acknowledged and provided for in the 2019/20 budget. However, the budget pressure did not anticipate the continued growth in looked after children (LAC) numbers from the point at which the calculation was made in the summer of 2018. As well as the increase in volume of placements the average weekly cost also increased, and the mix of placements changed as internal and external fostering placements reached capacity and external residential placements were sought instead. Details of the proportion of the increases is set out in figure 1 below.

Fig.1



10. A number of high-level actions have already been put in place to support and mitigate the Children and Young People's budget position as follows :-

- A letter issued by the Chief Executive in April 2019 to all budget holders urging them to follow the measures in the Spending Control Framework which was outlined in the letter.
- Internal Audit have been commissioned by the Chief Executive and S151 Officer to conduct a review of the budget management process within Children & Families.
- A piece of work is to be undertaken to benchmark current service outcomes and financial performance against other councils who are good or outstanding. This will help understand how the department is performing relative to others and prompt a deeper understanding of the challenge of balancing child care need and staying within budget.

A more detailed action and recovery plan will be brought to Finance and Major Contracts Management Committee in September.

11. In addition to the cost pressures being experienced in the Children and Families Local Authority budget there is also significant pressure on the Authority's High Needs Block which is funded from Department for Education grant. Although this does not impact on local authority budgets, the increase in numbers of pupils requiring Special Educational Needs and Disabilities (SEND) support, alternative provision and a range of SEND services has an impact on transport costs and this is referred to in paragraph 16.

Adult Social Care & Public Health (forecast £2.7m underspend, 1.3% of annual budget)

12. The major variances on care packages are as follows:

- Older Adults across the County are forecasting an underspend of £2.3m with underspends on Direct Payments, employee costs and over achievement of Joint Healthcare funding more than offsetting overspends on Long Term Residential and Nursing Care.
- Younger Adults across the County are forecast to overspend by £1.0m, due to increases in Supported Living and Residential and Nursing Care costs, although these are partly offset by underspends on Staffing and additional Joint Healthcare funding.

13. The Strategic Commissioning, Accessing and Safeguarding Division is reporting an underspend of £1.3m made up of a net increase of £0.5m in Service User Contributions, due mainly to increases in Residential & Nursing income, and £0.9m additional savings being released from the closure of the Care and Support Centres due to fewer long-term residents, offset by £0.1m of other overspends.

14. Public Health is currently forecasting an underspend of £0.1m, mainly due to slippage in the Public Health Nursing 0-19 contract which has arisen due to staff not being in post. Any net underspend will be added to reserves at year end and therefore reduce the net use of reserves.

Communities & Place (forecast £2.1m overspend, 1.7% of annual budget)

15. Transport is forecasting an overspend of £1.6m. The major contributing variances are :

- There are additional SEND Home to School costs of £0.9m caused by an increase in pupil numbers in line with expectations. The costs are SEND Pre-16 Home to School transport £0.6m; SEND Post 16 Transport £0.1m; and EOTAS (Education Other Than at School) of £0.2m.
- There is an overspend on Mainstream Home to School transport of £0.3m. This is due to the increase in pupil numbers and capacity limits at the closest designated school, necessitating transport to alternative educational establishments either by bus or taxi.
- There is a forecast overspend on Concessionary Fares of £0.3m due to increased costs for CT4N where a new operator has taken over commercial routes previously provided under a fixed rate deal by Trent Barton. Also, there are new services with fares introduction previously run as free such as hospital and shoppers' provision.
- There is a forecast overspend on Local Bus Services of £0.1m caused by ongoing pressure on provision of services, especially when commercial operators withdraw from a particular route and inflationary increases.

16. The Coroner's budget is forecasting an overspend of £0.5m based on advice from Nottingham City Council (who manage the service) and is due to an anticipated increase in the annual cost of mortuary services.

Trading Services

17. County Supplies are forecasting a deficit of £0.2m, this is attributed to trading activity prior to transfer to Hertfordshire County Council, including costs for legacy staffing, legal and IT costs. There is no reserve to fund this overspend.
18. Catering, Cleaning & Landscapes are forecasting a deficit prior to use of Reserves of £0.6m. This is to be funded partly from Traded Services Reserves of (£0.4m), the result being a forecast overspend of £0.2m. There is no reserve to fund this overspend.

Central Items (forecast £2.6m underspend)

19. Central Items primarily consist of interest on cash balances and borrowing, together with various grants, contingency and capital charges.
20. At the time of setting the 2019/20 budget, several funding allocations had not been announced, specifically with regard to the impact of business rates revaluations and, therefore, assumptions about certain grants were made based on the best information available at the time. Throughout the year confirmations are received and current forecasts suggest a net additional grant of £3.1m will be received in 2019/20.
21. Interest payments fluctuate depending on expectations of future rates and anticipated slippage on the capital programme. Current Treasury Management forecasts suggest a net overspend on interest of £0.6m. There is a net £0.1m underspend across the other central items.
22. The Council's budget includes a main contingency budget of £4.6m to cover redundancy costs, slippage of savings and unforeseen events. Contingency requests approved previously total £0.8m. Table 1 assumes that the remaining contingency budget (£3.8m) will be used for future requests.

Contingency Budget

23. A request for contingency of £150,000 has been submitted by Children and Young People's Committee (via May 2019 Policy Committee) to engage with partners to part fund a programme of work to help prevent young peoples' use of violence and weapon crime in Nottinghamshire. £50,000 of this was already approved by the Service Director – Finance, Infrastructure and Improvement in February 2019.

24. A request for contingency of up to £90,900 has been submitted by Personnel Committee (via June 2019 Improvement and Change Sub-Committee) for the development and implementation of the MyNotts App. The ongoing funding of maintaining the MyNotts App will be factored into the Medium-Term Financial Strategy.

Progress with savings and risks to the forecast

25. Council on 28 February 2019 approved savings proposals of £15.2m for delivery in 2019/20, with further savings identified for the period 2020-23. Officers will continue to monitor the deliverability of individual schemes and targets as part of the budget monitoring process and reflect achievability in the forecast outturn. The progress of the Council's current savings programme is reported to the Improvement and Change Sub-Committee on a regular basis. This report highlights all projects that are either experiencing obstacles or are at risk, the latest being 24 June 2019.
26. The 2018/19 Local Government Finance Settlement reflected the final year of the current Comprehensive Spending Review. As such, considerable uncertainty beyond 2019/20 will remain until the outcome of the 2019/20 Comprehensive Spending Review is known. For example, a number of funding strands will drop out after the current financial year including the Revenue Support Grant (£6.9m), the Business Rates Levy Account, (£1.6m), Winter Pressures (£3.5m) and the Adults and Children's Social Care Support Grant (£6.0m).

Balance Sheet

General Fund Balance

27. Members approved the 2018/19 closing General Fund Balance of £24.1m at Full Council on 11 July 2019. The 2019/20 budget approves utilisation of £2.1m of balances which will result in a closing balance of £22.0m at the end of the current financial year. This is 4.5% of the budget requirement.

Capital Programme

28. Table 2 summarises changes in the gross Capital Programme for 2019/20 since approval of the original Programme in the Budget Report (Council 28/02/19):

Table 2 – Revised Capital Programme for 2019/20

	2019/20 £'000	£'000
Approved per Council (Budget Report 2018/19)		116,375
Variations funded from County Council Allocations : Net slippage from 2017/18 and financing adjustments	21,011	
		21,011
Variations funded from other sources : Net variation from 2017/18 and financing adjustments	(4,245)	
		(4,245)
Revised Gross Capital Programme		133,141

29. Table 3 shows actual capital expenditure to date against the forecast outturn at Period 2.

Table 3 – Capital Expenditure and Forecasts as at Period 2

Committee	Revised Capital Programme £'000	Actual Expenditure to Period 2 £'000	Forecast Outturn £'000	Expected Variance £'000
Children & Young People's	50,768	2,508	50,768	-
Adult Social Care & Public Health	2,904	(938)	3,044	140
Communities & Place	61,233	2,318	61,233	-
Policy	17,800	76	17,714	(86)
Finance & Major Contracts Mngt	180	7	180	-
Governance & Ethics	256	-	256	-
Contingency	-	-	-	-
Total	133,141	3,971	133,195	54

Financing the Approved Capital Programme

30. Table 4 summarises the financing of the overall approved Capital Programme for 2019/20.

Table 4 – Financing of the Approved Capital Programme for 2019/20

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People's	32,287	17,874	-	607	50,768
Adult Social Care & Public Health	2,271	633	-	-	2,904
Communities & Place	15,949	43,739	1,128	417	61,233
Policy	15,187	2,591	-	22	17,800
Finance & Major Contracts Mngt	-	-	-	180	180
Personnel	256	-	-	-	256
Contingency	-	-	-	-	-
Total	65,950	64,837	1,128	1,226	133,141

31. It is anticipated that borrowing in 2019/20 will increase by £20.9m from the forecast in the Budget Report 2019/20 (Council 28/02/2019). This increase is primarily a consequence of:

- £21.0m of net slippage from 2018/19 to 2019/20 and financing adjustments funded by capital allocations.
- Net slippage in 2019/20 of £0.1m of capital expenditure funded by capital allocation identified as part of the departmental capital monitoring exercise.

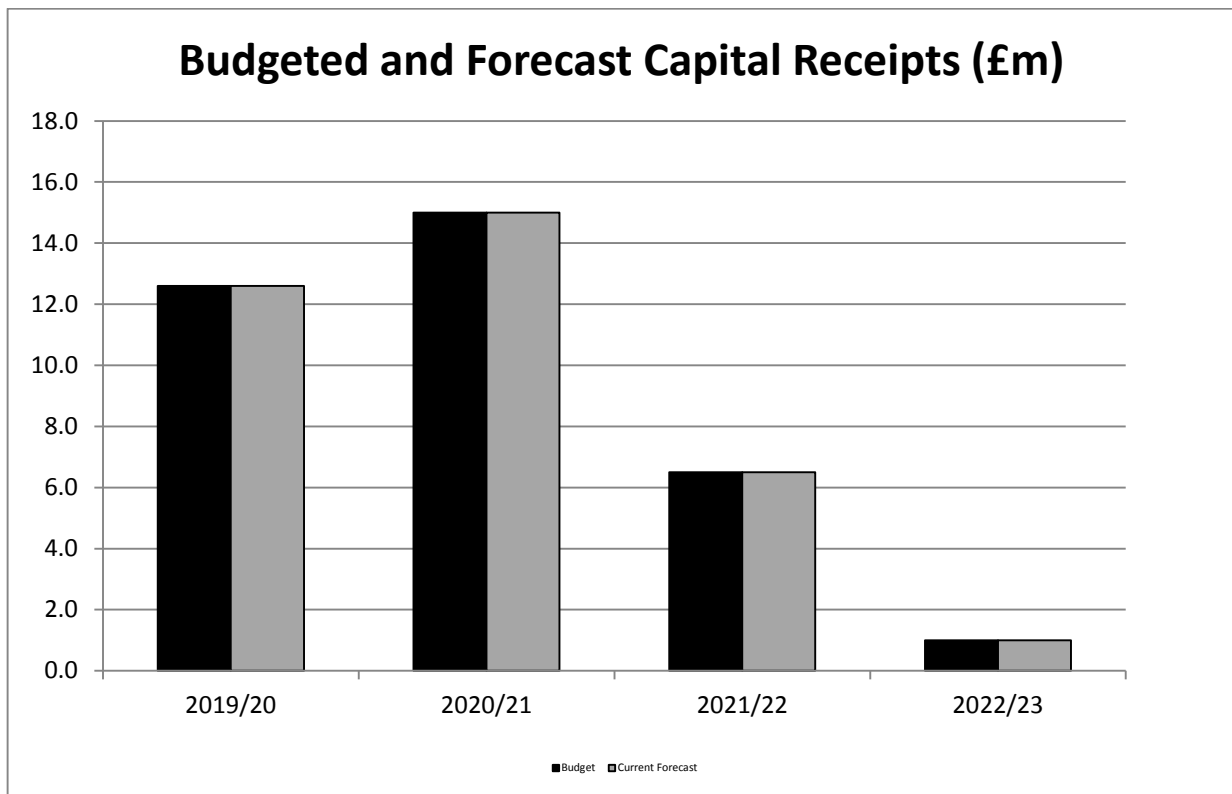
Prudential Indicator Monitoring

32. Performance against the Council's Prudential Indicators is regularly monitored to ensure that external debt remains within both the operational boundary and the authorised limit.

Capital Receipts Monitoring

33. Anticipated capital receipts are regularly reviewed. Forecasts are currently based on estimated sales values of identified properties and prudently assume a slippage factor based upon a review of risk associated with each property.

34. The chart below shows the budgeted and forecast capital receipts for the four years to 2022/23.



35. The dark bars in the chart show the budgeted capital receipts included in the Budget Report 2019/20 (Council 28/02/2019). These capital receipts budgets prudently incorporated slippage, giving a degree of “protection” from the risk of non-delivery.

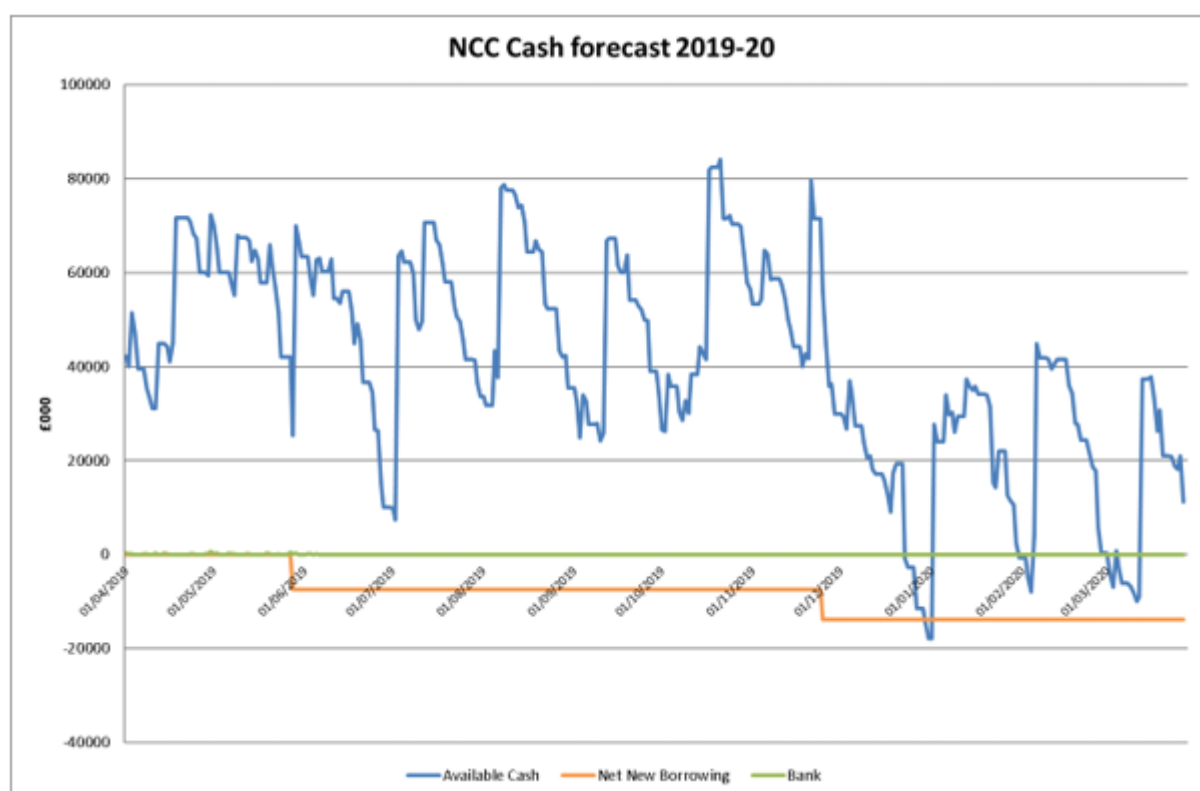
36. The capital receipt forecast for 2019/20 is £12.6m. To date in 2019/20, capital receipts totalling £0.1m have been received.

37. The number and size of large anticipated receipts increase the risk that income from property sales will be below the revised forecasts over the next three years. Although the forecasts incorporate an element of slippage, a delay in receiving just two or three large receipts could result in sales being lower than the forecast.

38. Current Council policy (Budget Report 2019/20) is to use the first £4.9m of capital receipts to fund in-year transformation costs. Any capital receipts in excess of this will be set against the principal of previous years’ borrowing. This reduces the amount of Minimum Revenue Provision (MRP) to be set aside each year. It is important to regularly monitor capital receipt forecasts and their effect on the overall revenue impact of the Capital Programme.

Treasury Management

39. Daily cash management aims for a closing nil balance across the Council's pooled bank accounts with any surplus cash invested in accordance with the approved Treasury Management Policy. Cash flow is monitored by the Senior Accountant (Pensions & Treasury Management) with the overall position reviewed quarterly by the Treasury Management Group.
40. The Cash forecast chart below shows the current cash flow position for the financial year 2019/20. Cash inflows are typically higher at the start of the year due to the front-loading receipt of Central Government grants, and the payment profile of precepts. Cash outflows, in particular capital expenditure, tend to increase later in the year, and the chart below reflects this.

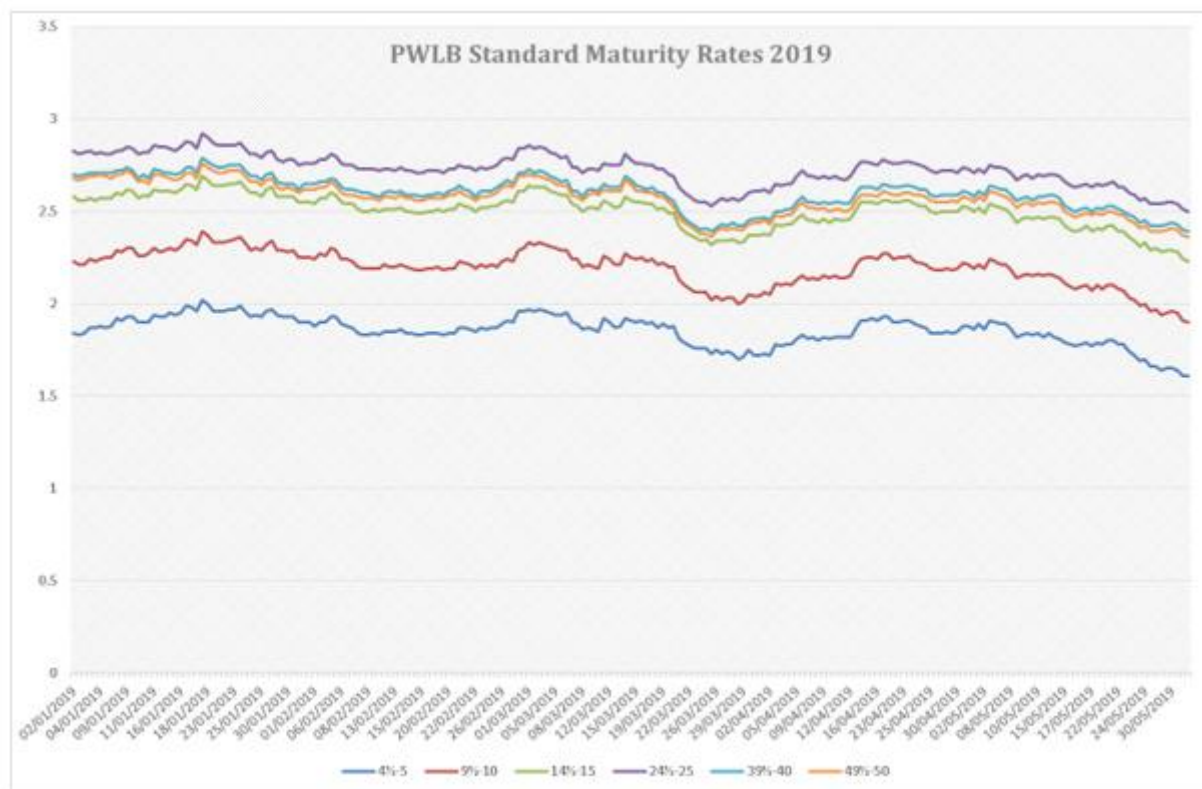


41. The chart above gives the following information:

Available cash	Surplus cash (invested in call accounts or money market funds) or a shortfall of cash indicating a need to borrow.
Net new borrowing	New loans taken during the year net of principal repayments on existing borrowing.
Bank	That element of surplus cash held in the Council's Barclays Bank account.

42. The Treasury Management Strategy for 2019/20 identified a need to borrow approximately £7m over the course of the year to (a) fund the capital programme, (b) replenish internal balances and to (c) replace maturing debt. This estimate will be revised after the 2018/19 accounts closure and periodically throughout the year.

43. PWLB interest rates continue to be monitored closely to allow changes - or potential changes - in rates to feed into decisions on new borrowing. The Council remains able to take advantage of the PWLB “certainty rate” which is 0.2% below the standard rates. The chart below shows the movement in standard PWLB maturity rates over the course of 2019 so far.



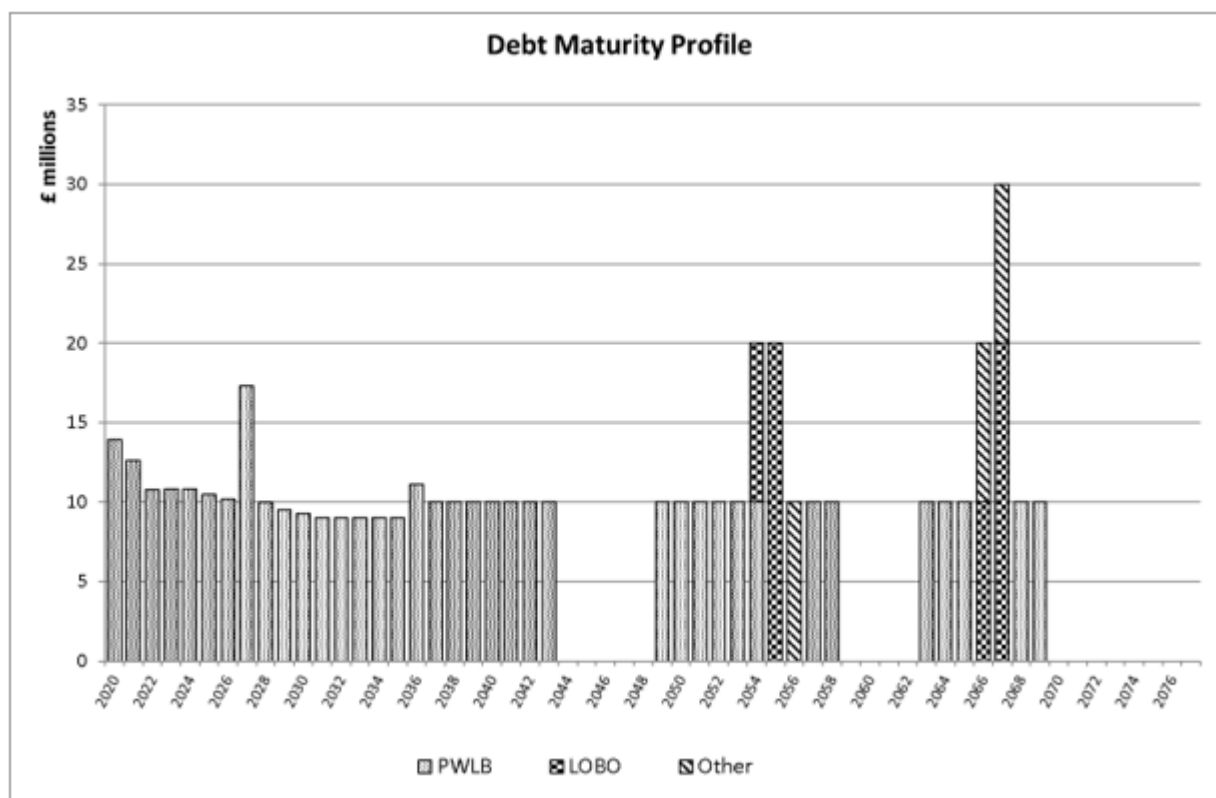
44. Borrowing decisions will take account of a number of factors including:

- expected movements in interest rates
- current maturity profile
- the impact on revenue budgets and the medium term financial strategy
- the treasury management prudential indicators.

45. The maturity profile of the Council's debt portfolio is shown in the chart below. The PWLB loans are reasonably well distributed and have a maximum duration of 50 years. When deciding on the lengths of future loans the Council will factor in any gaps in its maturity profile, with a view to minimising interest rate risk, but will consider this alongside other financial factors.

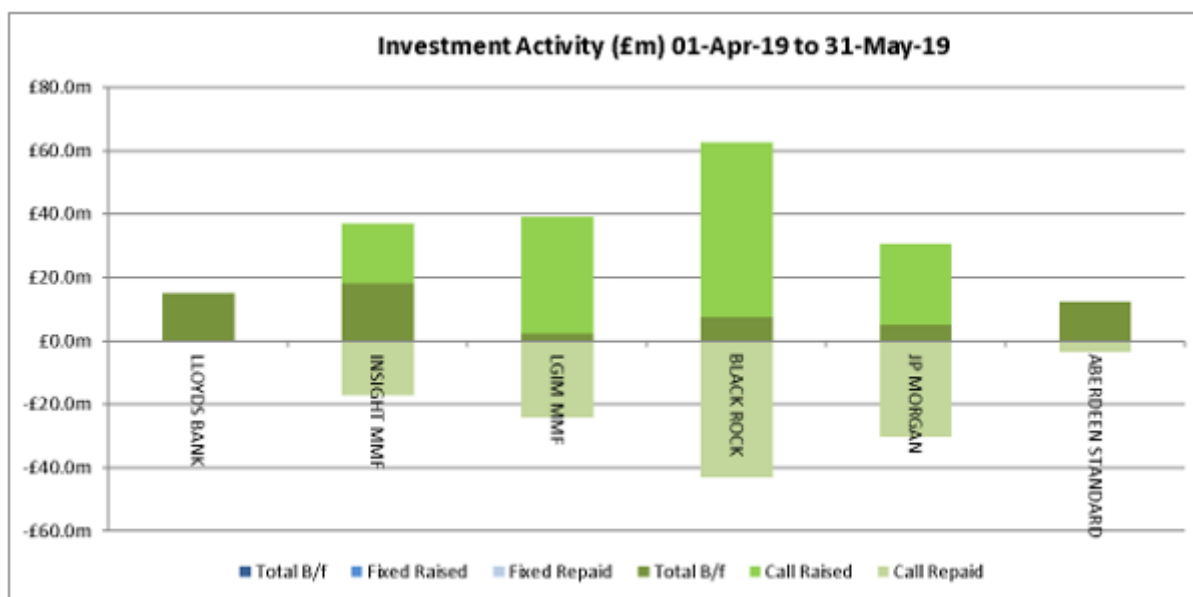
46. Long-term borrowing was also obtained from the market some years ago in the form of 'Lender's Options, Borrower's Options' loans (LOBOs). These loans are treated as fixed rate loans (on the basis that, if the lender ever opts to increase the rate, the Council will repay the loan) and were all taken at rates lower than the prevailing PWLB rate at the time. However, LOBOs could actually mature at various points before then, exposing the Council to some refinancing risk.

47. The 'other' loans shown in the chart consists of LOBO loans from Barclays Bank that were converted to standard fixed-term loans in 2016.



48. The investment activity for 2019/20 is summarised in the chart and table below. Outstanding investment balances totalled approximately £60m at the start of the year and approximately £79m at the month-end.

	Total B/F £ 000's	Raised £ 000's	Repaid £ 000's	Outstanding £ 000's
Lloyds Bank	15,000	-	-	15,000
IGNIS MMF	18,100	19,000	(17,300)	19,800
LGIM MMF	2,200	37,000	(24,300)	14,900
Black Rock	7,600	55,100	(43,250)	19,450
JP Morgan	4,900	25,800	(30,300)	400
Aberdeen Standard	12,500	-	(3,550)	8,950
Total	60,300	136,900	(118,700)	78,500



49. As part of the Council's risk management processes all counterparty ratings are regularly monitored and lending restrictions changed accordingly.

Statutory and Policy Implications

50. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

- 1) To comment on the revenue budget expenditure to date and year-end forecasts.
- 2) To comment on the capital programme expenditure to date and year-end forecasts.
- 3) To approve the contingency requests.
- 4) To comment on the Council's Balance Sheet transactions.

Nigel Stevenson Service Director – Finance, Infrastructure and Improvement

For any enquiries about this report please contact:

Keith Palframan - Group Manager, Financial Services

Tamsin Rabbitts - Senior Accountant, Pensions and Treasury Management

Constitutional Comments (KK 01/07/2019)

51. Pursuant to Part 4 section 21 of the Nottinghamshire County Council's Constitution the Finance and Major Contracts Management Committee has the delegated authority for all decisions within the control of the Council including but not limited to responsibility for the financial management of the Authority. The recommendations contained within this report fall within the delegated authority to this Committee

Financial Comments (GB 20/06/2019)

52. The financial implications are stated within the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

15th July 2019**Agenda Item: 5****REPORT OF SERVICE DIRECTOR, FINANCE, PROCUREMENT &
IMPROVEMENT****MYNOTTS APP****Purpose of the Report**

1. To update members on the MyNotts App project, particularly in terms of the research completed to date and the progress made in procuring the right partner to take this work forward.

Information**2. Work completed to date**

A significant amount of work has been completed to understand the best approach to take to deliver a great solution for Nottinghamshire:

- a. Investigating current information available (high demand services at the Customer Service Centre and the top pages and information being viewed online)
- b. Considering and investigated best approach to design. Over 20 Local Government Apps have been reviewed to understand and learn from others.
- c. Considering the approach to take regarding support and maintenance i.e. which elements would be managed in-house and which would be supplier led. An example of this would be Operating System updates (OS/IOS updates). As these happen across several operating systems and this happens very frequently this, ideally, would be managed by the chosen supplier, whereas minor tweaks, additions and changes would be managed in-house by fully trained staff with access to the development elements of the App.
- d. A consultation was arranged with Staffordshire County Council, the most similar council to Nottinghamshire with an App of this type, to understand the best approach, pitfalls, support models and best practice. The Staffordshire App is one of the most successful Apps in this sector.
- e. A whole range of customer feedback was reviewed (available from various App Stores)

- f. The project group met and consulted with procurement to ensure the right questions were asked during the procurement process.

3. Phased approach

a. Phase 1

- i. Develop the MyNotts app which will be a 'Digital Doorway' for customers to access key information and most used services available from NCC.
- ii. Have icons and access to sites that promote the NCC Visitor Economy Strategy
- iii. Ensure that Phase 1 of the App is 'future proof' for subsequent phases
- iv. Create a design to make it easier for customers to access 'key' information, but also ensure the design meets accessibility guidelines and therefore is fair and equitable
- v. Provide a 'skin' that creates a shortcut to the best used and to information that provides the most value to our customers.
- vi. Estimated timeline for completion – 6-8 months (**Caveat:** The project is reliant on the Apple Apps Store to upload the App and make it live – we are told this could take some time, as such we may see some slippage moving it into the 'live' environment).

b. Phase 2

- i. Extend links to other NCC services (additional buttons/tiles/links)
- ii. Broaden the scope, to include:
 - Some personalisation (see what is important to you)
 - Links to other partner sites, District partners, police, fire and rescue
 - Links to health services including the third sector
 - Further education / local school sites
 - Local news sites e.g. Mansfield Chad, West Bridgford News
 - 'Push' of tailored communications to improve customer engagement
- iii. The more we add and personalise, the more customers will benefit and use the App, all of which leads to improved customer engagement and reputational enhancement.

4. Procurement:

a. Several stages of procurement have now been completed:

- i. Requirements for Phase 1 were published via Digital Market Place with 18 bids being considered and scored. The procurement began early April and was completed 24th April. Unsuccessful bidders were notified.
- ii. 6 suppliers were shortlisted and were asked to send in written proposals for the work, these were received and evaluated on 8th May.

iii. 4 suppliers were shortlisted from the written proposal and asked to attend a presentation and Q&A session to ensure there had been due diligence completed and to help inform the final choice. This exercise was completed on 16th May.

- b. The successful supplier was **Cantarus**, a Manchester based development agency with a wide understanding and expertise in the development and design of Apps. **Cantarus** are an Umbraco Gold partner (Umbraco is the system used by NCC to manage and develop web content) and have considerable experience with Firmstep (the system used extensively by NCC for online forms and to provide support the Customer Service Centre). They also have experience of working with several local government organisations and councils.

5. Costs

The costs outlined are for Phase 1 development.

Costs from other suppliers varied with some being as high as £188k. It was felt that Cantarus provided the clearest and most cost-effective costs.

Discovery and design	£20,900
Implementation	£40,000-£70,000
TOTAL TO DELIVER MYNOTTS APP - PHASE 1 (at worst case)	£90,900
Support and maintenance (Cantarus offer support through call off days)	£12,000 in year 1 / £6,000 thereafter (Based on the assumption that more days will be required in year one)

6. There will be some additional costs for further development (Phase 2). There may be an option to share these costs with partner organisations should this be identified as part of the project scope. A further paper will be brought to members for authorisation of subsequent phases.
7. An option has been included to stop the project after the discovery and design phase if budget is not approved for the implementation phase.

Resourcing

8. A project team across several areas will be in place once contracts have been signed and funding agreed. This will include 1 x Project Manager, 1 x ICT resource, 1 x Customer Service resource, 1 x Digital resource and an overall Project Lead.

Other Options Considered

9. Developing this in-house was considered, however there is insufficient in-house expertise to be able to deliver this.
10. This is NCC's first App, so it was imperative that a supplier is engaged with a proven track record and considerable experience in the development of Apps for Councils and Local Government was essential. Cantarus can provide this.

Reason/s for Recommendation/s

11. A MyNotts App will improve engagement with our customers and support them to find the information they need quickly and easily:
 - a. Easier and quicker access to the service and information required
 - i. Each button/tile connects to the relevant 'Book it / pay for it / apply for it' sections on the NCC website
 - ii. Information presented to answer enquiries more efficiently
 - b. Enhanced customer experience / ease of use
 - i. Supports the cross-cutting programme of work 'Improving Customer Experience through Digital Development' commissioned by members.
 - ii. Easy to access, stable and reliable once downloaded from the App Store
 - iii. Further links to private sector to be explored (potential)
 - c. Efficiency / Value for money
 - i. Drive self-service
 - ii. If take-up is good there is potential to reduce transactional calls to the CSC and departments
 - iii. Push notifications in Phase 2 may prevent 'avoidable contacts' by providing customers with news and information they need at a time they need it.
 - d. Reputation
 - i. Additional channel for 'App' customers
 - ii. Improved service = happier customers = better engagement with NCC
12. Phase 2 of the App development will include some personalisation and access to many other services, not all NCC:
 - a. One Stop Shop
 - i. Potential to link to partner sites in subsequent phases (in line with the Staffordshire County Council App)
 - ii. Access to all key Nottinghamshire Services regardless of who delivers them.
13. The team were asked to investigate this urgently by members and we are aware that there is a strong political will to deliver this quickly for all our customers and for Nottinghamshire.
14. Phase 1 offers good value for money and will put in place the building blocks required to enable NCC to move to Phase 2 quickly and effectively.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

16. The aim of the MyNotts App is to make it easier and improve engagement and access to Council information, services and the wider Nottinghamshire organisations. In reviewing processes and considering technological and automated developments, consideration will be given to the needs and abilities of all residents to access services to ensure that any approaches developed do not disadvantage groups (see also Equality Duty implications)

RECOMMENDATION/S

That members consider whether they require any further actions as a direct result of the contents of the report.

Nigel Stevenson

Service Director – Finance, Procurement & Improvement

For any enquiries about this report please contact Kaj Ghattaora, Group Manager – Procurement

Constitutional Comments (CEH 14.06.19)

The report is for information purposes. Committee should consider if there are any comments they wish to make on the contents of the report.

Financial Comments (KP 17.06.2019)

As set out in the report the maximum supplier cost for Phase 1 is estimated at £90,900, with ongoing support and maintenance costs of £12k in year 1 and £6k p.a. after that.

In addition there will be project team costs and an ongoing staffing support cost, estimated at £29k p.a. including salary on costs.

If the project proceeds to Phase 2 there will be additional costs, although there may be an opportunity to share these with partner organisations.

All costs will be subject to appropriate approvals.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

15th July 2019**Agenda Item: 6****REPORT OF SERVICE DIRECTOR, FINANCE, PROCUREMENT &
IMPROVEMENT****HS2 COMMISSIONS FOR MIDLAND ENGINE****Purpose of the Report**

1. To update members on the HS2 project from a commissioning perspective and the various contracts that have been procured.

Information**Background**

2. Early progress has been made in response to the Chancellor's announcement of a locally led development body for the Midlands Engine to deliver the growth potential at Toton and the surrounding area. The vision and ambition that has emerged in the region for the development at Toton, catalysed by HS2, has the potential to have significant economic benefits. When added to the plans for East Midlands Airport and the redevelopment of the Ratcliffe on Soar power station site, the potential economic benefits could be transformational.
3. The first phase of this work has been to obtain funding of £2 million from HM Treasury to look at feasibility. The funding is ringfenced for this project. Procurement have worked closely with the project team to ensure that all the criteria set for the funding are included in any commissions and that reporting can be made back to Central Government on how the funding is being used.
4. As Chairman of the Midlands Engine, Sir John Peace chairs an Oversight Board to provide interim governance for the project, made up of regional partners. This group provides the point of accountability for the project including oversight of the commissions which are being led by Nottinghamshire County Council and of the £2m investment. The Oversight Board will be in place until shadow governance arrangements are established for the new body.
5. The focus of the Development Corporation will be on maximising and accelerating development opportunities and strategic transport connectivity across the East Midlands, and particularly around the HS2 station at Toton, East Midlands Airport, SEGRO Logistics Park, Chetwynd Barracks and Ratcliffe-on-Soar power station, which is due to be decommissioned by 2025. It will aim to encourage and bring forward the creation of tens of thousands of new jobs and thousands of new homes on these sites in the coming decades.

Contracts commissioned so far

- 6a. Strategic and Economic Case - set out the economic benefits of bringing the development of Toton, East Midlands Airport and redevelopment of the power station together and the added value of a development corporation. Awarded to Arup and Partners Limited.
- 6b. Route Map and Legal Structure - provide the legal and technical advice to the Midlands Engine to allow the submission of a robust business case for the preferred Development Corporation model to the Secretary of State. Awarded to Bramble Hub who are working in partnership with Grant Thornton.

Contract to be commissioned

- 7. Visioning and Narrative - help shape an overarching vision of the development corporation and, in parallel, will create a compelling narrative for the East Midlands region as a destination in which to work, live and invest. Create a brand identity for the development corporation. This is currently out to tender.
- 8. All 3 companies from these 3 commissions will be expected to work together to engage with all the stakeholders and assist in the business case and setting up of the development corporation.

Other Options Considered

- 9. No other options were considered as there is insufficient in-house expertise to be able to deliver this.

Statutory and Policy Implications

- 10. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

That members consider whether they require any further actions as a direct result of the contents of the report.

Nigel Stevenson

Service Director – Finance, Procurement & Improvement

For any enquiries about this report please contact Kaj Ghattaora, Group Manager – Procurement

Constitutional Comments (CEH 18.06.19)

11. The report is for information purposes only. Committee should consider if there are any issues arising from the information in the report that they wish to raise.

Financial Comments (KP 19.06.19.)

12. Full details of the cost of the additional posts and the £2m funding were reported to Policy Committee on 19 June 2019. The financial comments on that report were as follows:

“The report proposes the establishment of 3 posts to support the establishment of a Development Corporation at an estimated cost of up to £210,000 in 2019/20 and £270,000 in 2020/21. It is envisaged that this cost will be met from funding of £1M in each of 2019/20 and 2020/21 to be provided by MHCLG via D2N2. However it is anticipated that in 2019/20, the front loading of other commissioned work to develop the business case may result in the £1M allocation being exceeded. In this eventuality the County Council will be required to fund any additional expenditure. It is proposed that any such additional expenditure, up to £250,000 per annum, is funded from the NNDR Pool Reserve.”

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

15 July 2019

Agenda Item: 7

REPORT OF THE SERVICE DIRECTOR - CUSTOMERS, GOVERNANCE AND EMPLOYEES

WORK PROGRAMME

Purpose of the Report

1. To consider the Committee's work programme for 2019-20.

Information

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme has been drafted in consultation with the Chair and Vice-Chairs, and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
4. As part of the transparency introduced by the revised committee arrangements from 2012, committees are expected to review day to day operational decisions made by officers using their delegated powers. It is anticipated that the committee will wish to commission periodic reports on such decisions. The committee is therefore requested to identify activities on which it would like to receive reports for inclusion in the work programme.

Other Options Considered

5. None.

Reason/s for Recommendation/s

6. To assist the committee in preparing its work programme.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required

RECOMMENDATION/S

- 1) That the Committee considers whether any amendments are required to the Work Programme.

Marjorie Toward
Customers, Governance and Employees

For any enquiries about this report please contact: Pete Barker, x74416

Constitutional Comments (HD)

8. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (NS)

9. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All.

FINANCE & MAJOR CONTRACTS MANAGEMENT COMMITTEE – WORK PROGRAMME

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>Lead Officer</u>	<u>Report Author</u>
16 September 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
CYP Budget	Action & Recovery Plan	Nigel Stevenson	Nigel Stevenson
CIPFA Conference	Feedback from conference	Nigel Stevenson	Nigel Stevenson
Gedling Access Road (GAR)	Report on progress	Adrian Smith	Mike Barnett
Procurement Team	Interim staffing structure	Kaj Ghattaora	Kaj Ghattaora
Public Health Competitive Dialogue	Outcome on the procurement for the public health competitive dialogue process	Michael Fowler	Kaj Ghattaora
Wide Area Network (WAN) Tender	Outcome / Update on the procurement of the WAN tender	Lorraine Dennis	Kaj Ghattaora

FINANCE & MAJOR CONTRACTS MANAGEMENT COMMITTEE – WORK PROGRAMME

14 October 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
DN2 Partnership Children's Services Intervention Programme	6 Monthly Update	Lynn Brammer / Jon Hawketts	Kaj Ghattaora
Staff Agency Contract	Update on Staff Agency re-procurement	Lorraine Dennis	Kaj Ghattaora
18 November 2019			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
Risk and Insurance	Update report	Nigel Stevenson	Rob Disney
BCF 6 Monthly Reconciliation		Joanna Cooper	Joanna Cooper
DN2 SIB Update	Update on Social Impact Bond (Children's)	Lynn Brammer / Jon Hawketts	Kaj Ghattaora
18 May 2020			
Monthly Budget & Capital Monitoring Report 2019/20	Budget Capital Monitoring, Capital Receipts, Capital Variations	Nigel Stevenson	Glen Bicknell
BCF 6 Monthly Reconciliation		Joanna Cooper	Joanna Cooper
TO BE PLACED			
Commercial Development Unit	Report on progress.	Mark Knight	Nigel Stevenson
The provision of new schools and school places	Details of the Authority's approach	Derek Higton	Derek Higton